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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 001752

STATE FOR SA/INS, DS/IP/SA NSC FOR GREEN/DORMANDY LONDON FOR POL-BELL

E.O. 12958: DECL: 09/01/2014

TAGS: PGOV ASEC CASC NP SUBJECT: NEPAL: SITREP NO. 1: MOB VIOLENCE IN REACTION TO

KILLING OF NEPALI HOSTAGES IN IRAQ

REF: KATHMANDU 1748

Classified By: Ambassador James F. Moriarty, Reasons 1.4 (b/d)

## SUMMARY

- 11. (U) Enraged Nepalis took to the streets all around Kathmandu on September 1 in reaction to the news about the August 31 murder of the twelve Nepali hostages in Iraq. have targeted the largest mosque, Muslims, and manpower agencies; they have not targeted the United States. The GON called a curfew effective 2:00 pm local time, which got people off the streets and should allow emotions to cool down. The Government also declared that September 2 will be a National Day of Mourning and educational institutions and government offices will be closed. END SUMMARY.
- 12. (U) The EAC met at 11:00 am local time (reftel) and again at 3:30 pm (septel).

## DEMONSTRATIONS TURN UGLY

- 13. (U) Mobs gathered around the Jame Mosque near Ratna Park, the usual location for demonstrations, and set it on fire; armed police force members, however, have now secured the mosque and doused the fire. Demonstrators also set fire to the Qatar Airlines Office and Space Time cable, which is owned by a Muslim. In addition, protesters attacked Nabil Bank, reportedly because of its Muslim connections. Peopl have attacked houses where they suspect Nepali Muslims or Pakistanis live. Mobs also targeted all manpower agencies on the grounds that they facilitated the presence of Nepali workers in Iraq - looting and destroying premises, at times also torching them. The mobs have set cars on fire, burned mounds of tires in the streets, and thrown rocks at different targets. The mob also attacked Kantipur news.
- 14. (U) In other parts of the country, reaction has been In Pokhara, protests are occurring, but they are not disturbing public life. Some, but not all, shops are closed. In Bhairahawa, shops and the American Center library are open, however they will close for a protest scheduled for 5:00 pm local time. In Biratnagar, some shops are closed, but government offices and our American Corner library are open.

## GOVERNMENT RESPONSE

- (U) The Government called an indefinite curfew effective 2:00 pm local time. The Royal Nepal Army (RNA), which is responsible for enforcing curfews, reported that the streets were now quiet, except for a few pockets, which it had dispersed. Prime Minister Shah Bahadur Deuba addressed the nation this afternoon. The Prime Minister said that this was a tragic time, but urged people to be patient. He asked people not to target any community because terrorists do not have any religion nor do they know any boundary. He announced that the GON will pay immediate compensation to the families of the victims (one million rupees per family about USD 13,000). He declared that September 2 would be a national day of mourning for the twelve Nepalis; schools and GON offices will be closed in their remembrance. The Embassy will observe the day of mourning, and will only have a reduced staff come in.
- 16. (U) While most flights from India were canceled, some domestic and international flights had arrived. The RNA escorted tourists to hotels and other incoming passengers to their homes. The Government canceled the Confederation of Nepalese Industry Partnership Summit that was to take place on September 2. (Malaysia's former Prime Minister Mohammed Mahathir and the Thai Deputy Prime Minister were scheduled to fly in.)

COMMENT

- 17. (C) The curfew should help the GON get the situation back under control. An MFA contact noted, however, that it would have been better if the GON had called the curfew earlier. The issue of the Nepalese hostages had been front page news from the start. There were widespread calls for the GON to act against Moonlight, the manpower agency involved. Although the GON had to date not done so, the Prime Minister confirmed in his address that the GON would prosecute those guilty of sending Nepalis to Iraq.
- 18. (C) Although GON policy prohibits Nepalis from working in Iraq, many Nepalis are currently working there. The Department of Labor could not provide any numbers because laborers do not register with them, but an estimated 15,000 -20,000 Nepalis could be working in Iraq. The MFA puts the number at no less than 12,000. If this is the case, the violent reaction could also reflect a fear that more Nepalis are vulnerable and could also become victims. Noting that there are 400,000 Nepalis working in the Gulf, including 80,000-100,000 workers in Qatar, the MFA contact worried that there could be a backlash in those countries to Nepal's violent response. The executions also demonstrated an ugly anti-Muslim undercurrent that normally lies well below the surface in Nepali society.